



CITY OF DURHAM | NORTH CAROLINA

Date: October 16, 2012

To: Thomas J. Bonfield, City Manager

Through: Wanda Page, Deputy City Manager

**From: Joseph W. Clark, Fleet Management Director
Rik Rasmussen, Radio Systems Manager**

Subject: Second Amendment to the Interlocal Agreement

Executive Summary

The City is embarking on a three year CIP project to upgrade the radio system. The cost of this \$13.2 million upgrade is to be shared equally with the County. In 2010 the City and County executed an Amendment to the Radio System Interlocal Agreement in which costs of a new microwave radio system was shared. Now the City and County wish to enter into a Second Amendment to the Interlocal Agreement to share the costs of this radio system upgrade. Durham County Management has approved the text of this Second Amendment.

Recommendation

The Fleet Management Department recommends authorizing the City Manager to execute this second Amendment of the Interlocal Agreement in order to formalize the understanding of cost sharing and schedule of reimbursement by the County to the City.

Background

The County has shared the use of the City's 800 MHz radio system since it was purchased in 1994. In 2005 the City and County entered into an Interlocal Agreement to share the costs of managing and maintaining the radio system. In 2010 the agreement was amended to provide for sharing the costs of a microwave radio network upgrade. Now the City and County wish to enter into a Second Amendment to the Interlocal Agreement to share the costs of this radio system upgrade.

Issues and Analysis

This Second Amendment to the Interlocal Agreement will provide the basis for planned expenses over several years, and an equitable sharing of costs between the City and County.

Alternatives

1. The County could reimburse the City up front their share of the upgrade costs.
2. The City could pay all costs and charge the County a fee for use of the system.

Financial Impact

The total project is expected to cost \$13.2 million, of which the \$12.4 million is this Motorola contract. Approximately \$205,000 of the total is to be reimbursed to the City by North Carolina Central University for their two dispatch console positions included in this project. The remainder of the project costs will be shared by the City and the County, \$6,097,500 respectively. Motorola Solutions is offering a three year lease which delays the first of three annual payments until FY 2014. The County is to reimburse the City for its share of each annual payment.

SDBE Summary

This agreement does not require a review for compliance with the City's Ordinance to Promote Equal Opportunity in City Contracting.

Attachments

**Attachment 1: SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT
REGARDING THE 800 MHz RADIO SYSTEM UPGRADE**